



Making Cooperation Work

COMCEC STRATEGY

For Building an Interdependent Islamic World

COMCEC TOURISM OUTLOOK 2016



COMCEC

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Comcec Coordination Office
September, 2017

OUTLINE

- ▶ The Importance of Tourism for Development
- ▶ Tourism Trends
- ▶ Overview of International Tourism in the World
- ▶ International Tourism in the OIC Member Countries

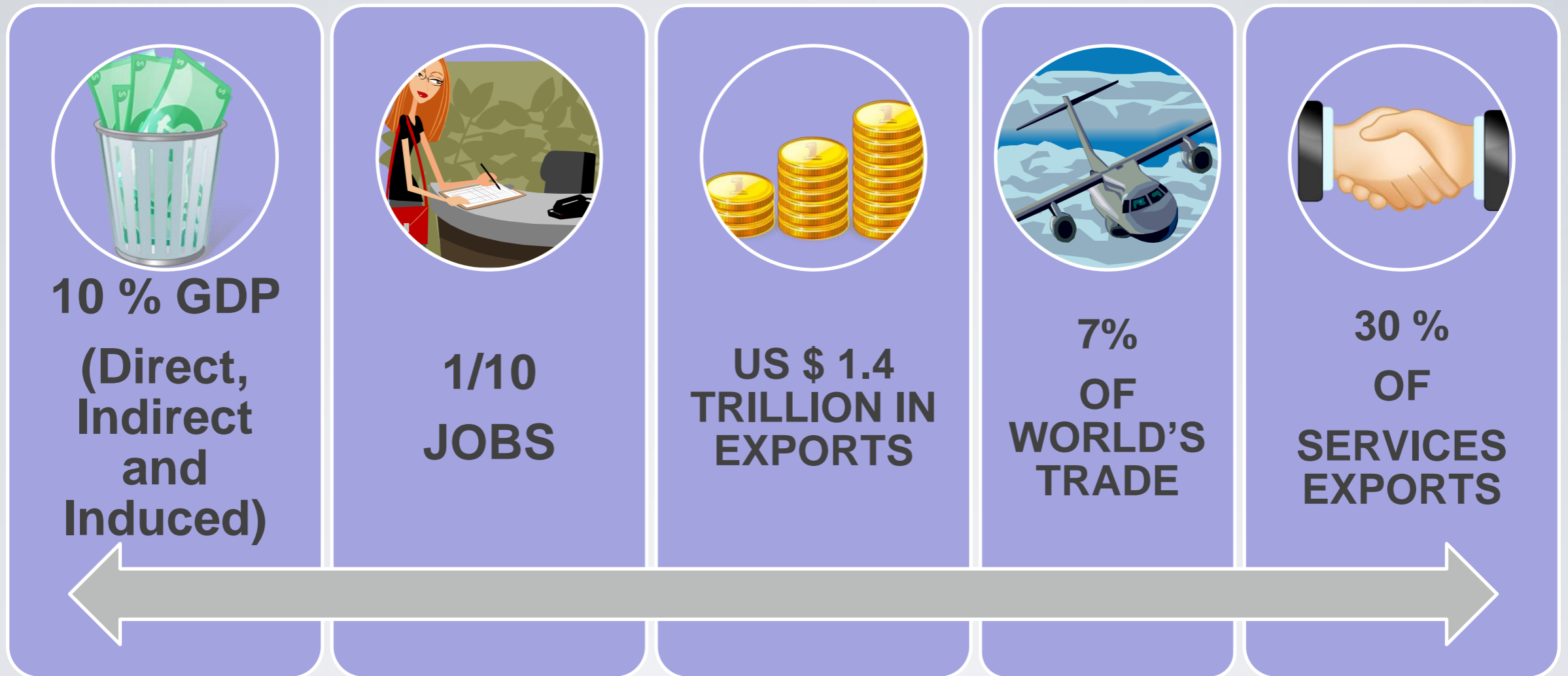
The Importance of Tourism for Development

A remarkable socio-economic phenomena

A critical sector for both advanced and developing economies

Related to more than 185 supply-side economic activities, with direct and indirect effects

The Importance of Tourism for Development



Source: UNWTO Tourism Highlights, 2016 Edition

Key Tourism Trends

- Demographic changes
- Behavioral changes
- Advancements in technology
- Crises and risk management
- Sustainability

Source: Horwart HTL Tourism Megatrends, 2016

Demographic Changes



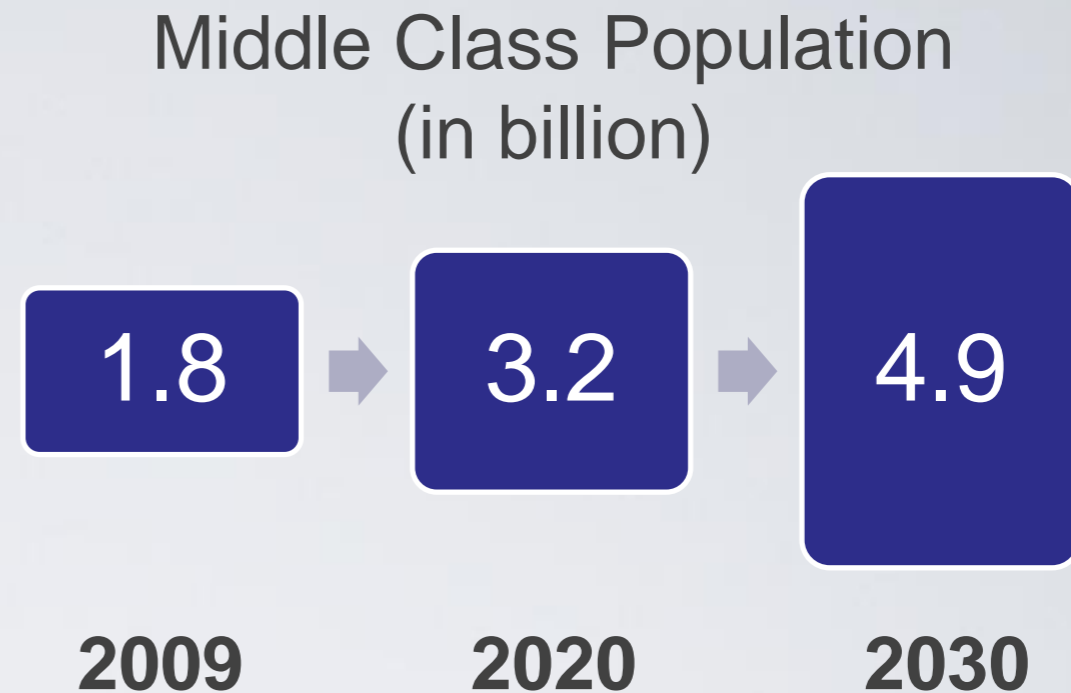
Share of global population over the age of 60



- Active travelers
- Security is important
- Personalized services
- Soft adventure for «feeling young»
- Health and wellness products

Source: Horwart HTL Tourism Megatrends, 2016

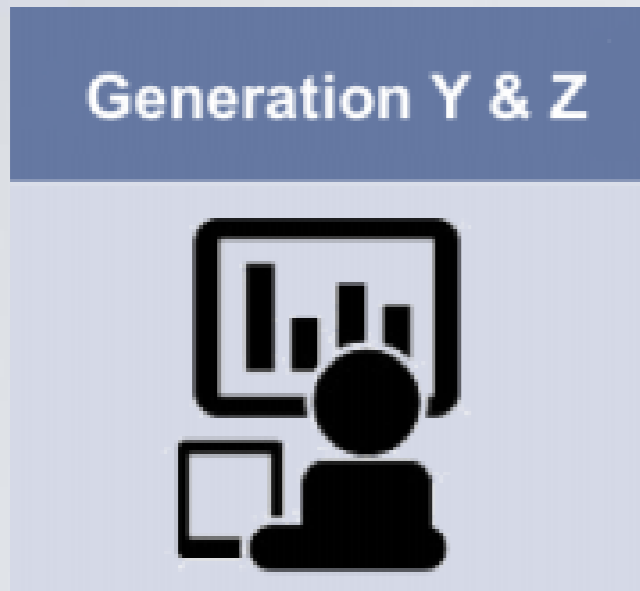
Demographic Changes



- The increase in average income results in a growing middle class
- Emerging source markets

Source: Horwart HTL Tourism Megatrends, 2016

Demographic Changes



Generation Y (Millennials)

- 50 % of all travelers by 2025
- Technology is essential!!!

Generation Z (iGen – 6-20 ages)

- Spend parents' money faster
- High level of involvement in digital trends
- A more dynamic lifestyle

Source: Horwart HTL Tourism Megatrends, 2016

Behavioral Changes



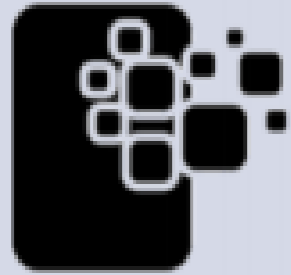
- Increase in the share of emerging economies
- 10 cities are from the Middle East and Asia in the top 20 global destinations by international overnight visitors.



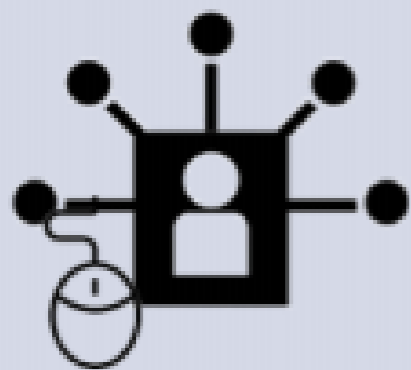
Source: Horwart HTL Tourism Megatrends, 2016

Advancements in Technology

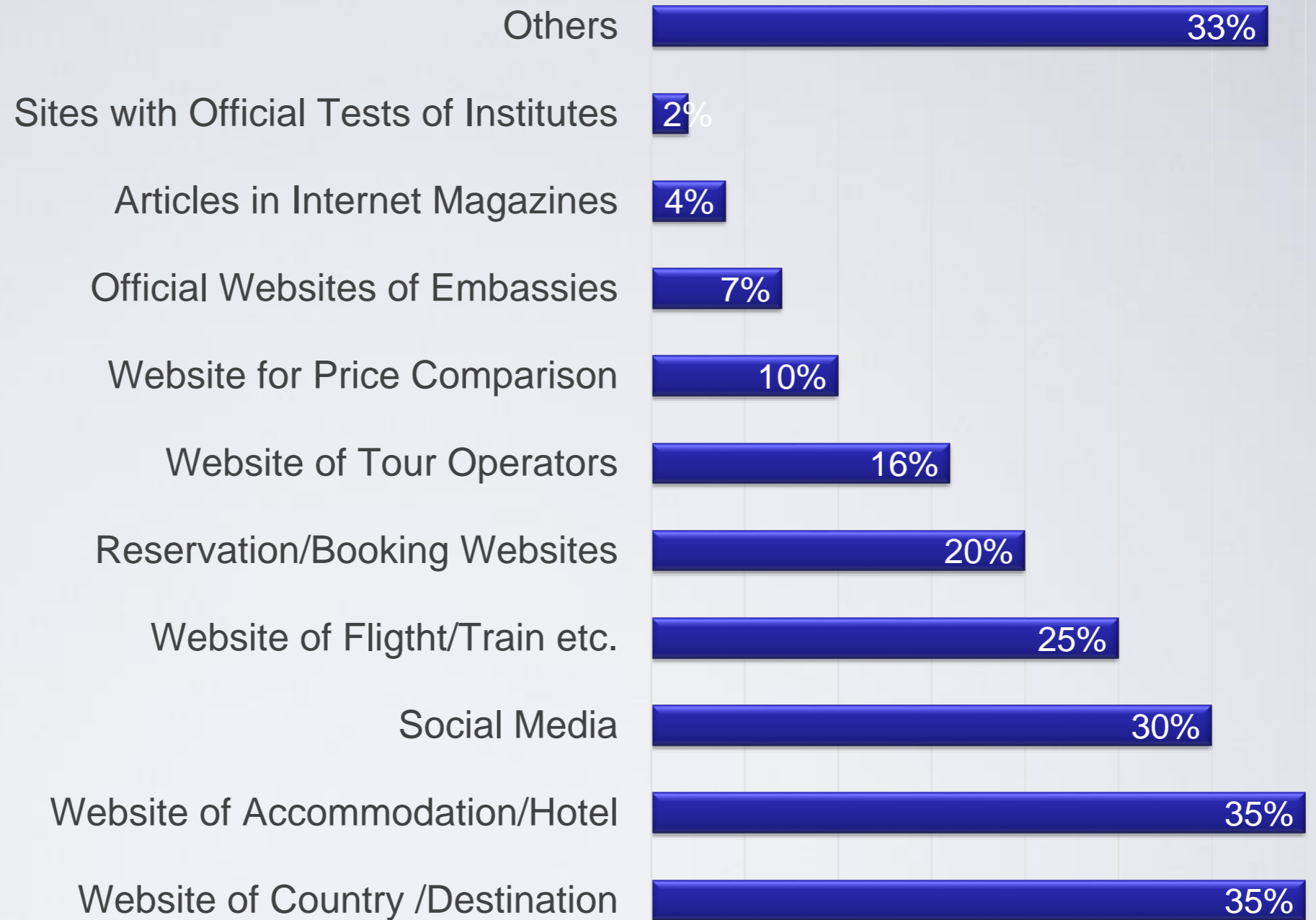
Technological (r)evolution



Digital channels



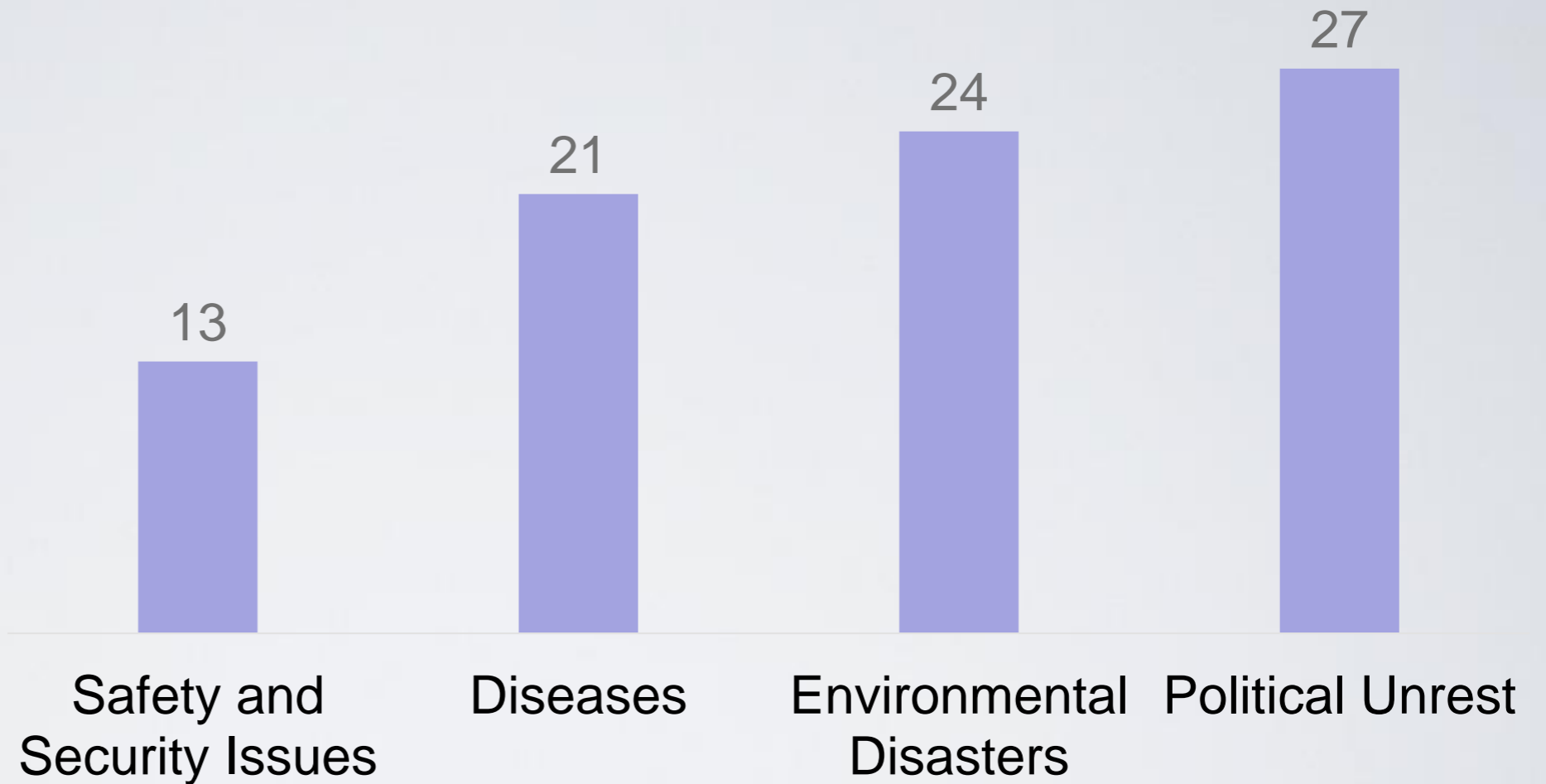
INTERNET INFORMATION SOURCES



Source: ITB World Travel Trends Report 2015-2016

Crises and Risk Management

Time to Recover from Crises for Tourism (months)



Source: WTTC, 2016

Sustainability



Sustainable Tourism is defined as:
« tourism that respects both local people and the traveler, cultural heritage and the environment»

International Tourist Arrivals

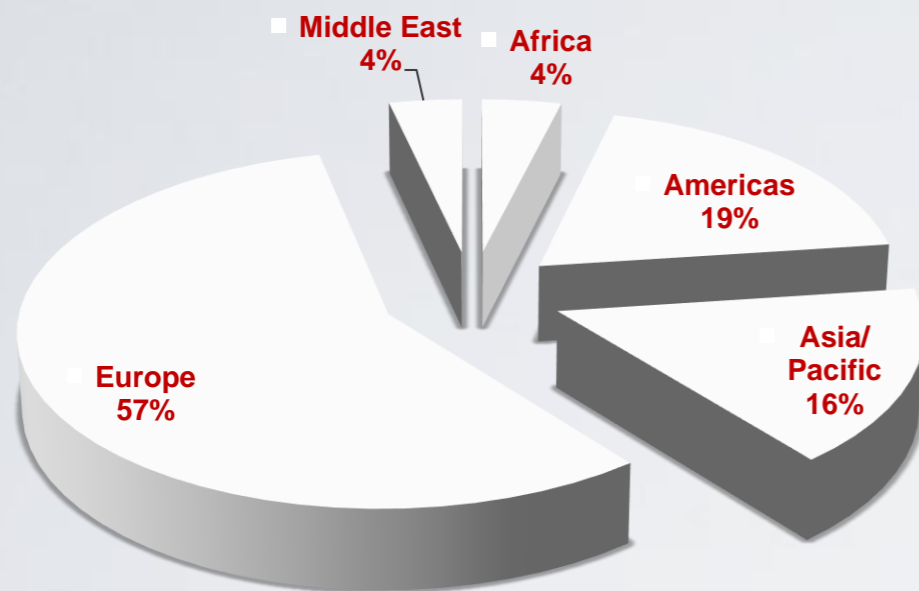
(Millions)



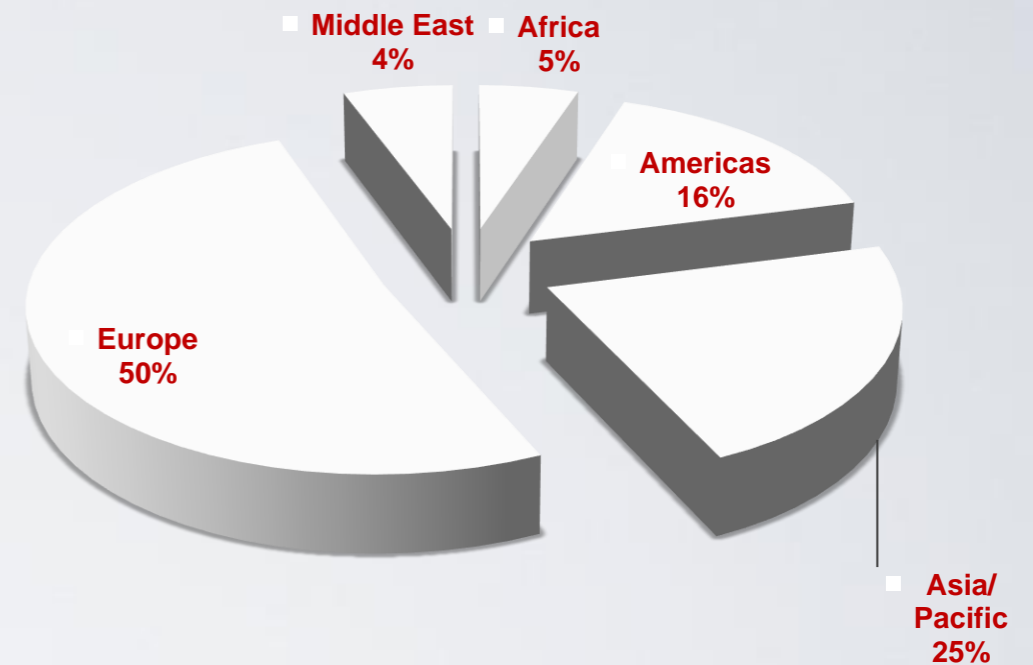
Source: World Tourism Organization

International Tourism- Market Share

Tourist Arrivals



2000



2016

Source: UNWTO, Tourism Highlights 2014 & World Tourism Barometer, Volume 14, July 2016

International Tourism Receipts

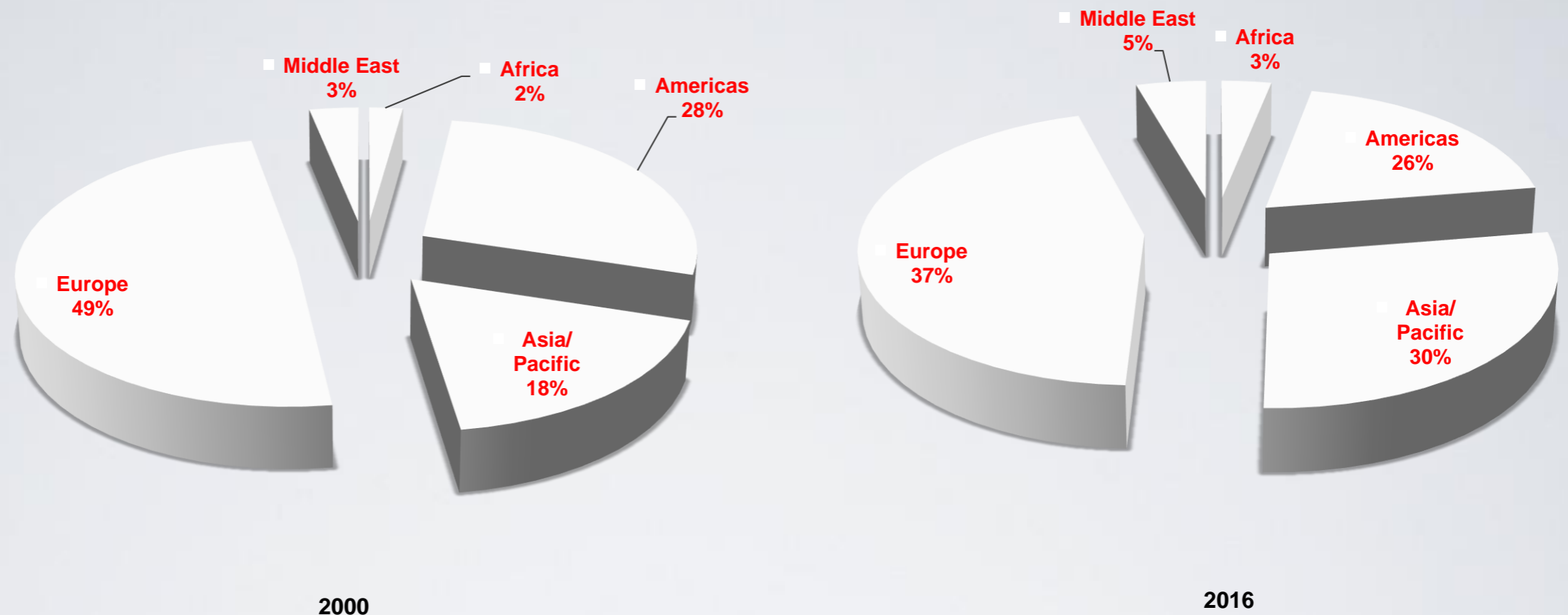
(Billion \$)



Source: World Tourism Organization

International Tourism- Market Share

Tourism Receipts



Source: UNWTO, Tourism Highlights 2014 & World Tourism Highlights 2017

Estimates and Forecasts for Travel&Tourism Economic Impact in OIC Member States

COMCEC	2016 (\$ billion) ¹	2016 % of total	2017 Growth ²	2027 \$ billion ¹	2027 % of total	Growth ³
Direct contribution to GDP	198.1	3.2	3.8	327.4	3.2	4.8
Total contribution to GDP	542.4	8.7	3.9	914.5	9.2	5.0
Direct contribution to employment ⁴	13,257	2.4	1.3	17,62	2.5	2.8
Total contribution to employment ⁴	35,514	6.4	1.2	48,039	6.8	2.9
Leisure spending	271.9	2.4	2.9	446.6	2.4	4.8
Business spending	87.8	0.7	7.3	147.2	0.8	4.6
Capital investment	108.6	6.7	5.0	198,8	7.5	5.7

¹2016 constant prices and exchange rates; ²2016 real growth adjusted for inflation (%); ³ annual real growth adjusted for inflation; ⁴000 jobs

Source: WTTC, Economic Impact 2017 Report-COMCEC

International Tourism in the OIC Member Countries

(Millions)

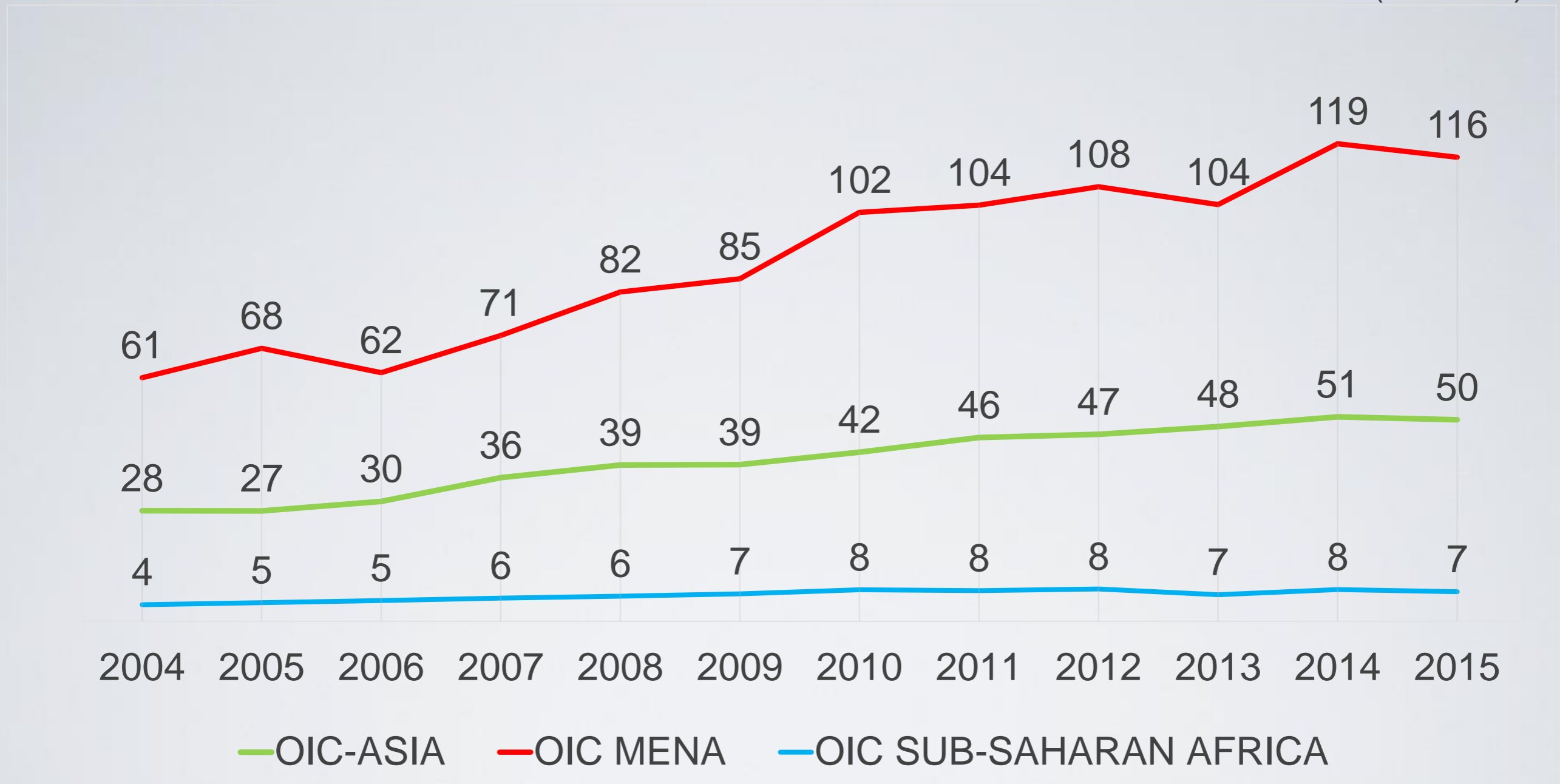
(Billion \$)



Source: UNWTO, 2016

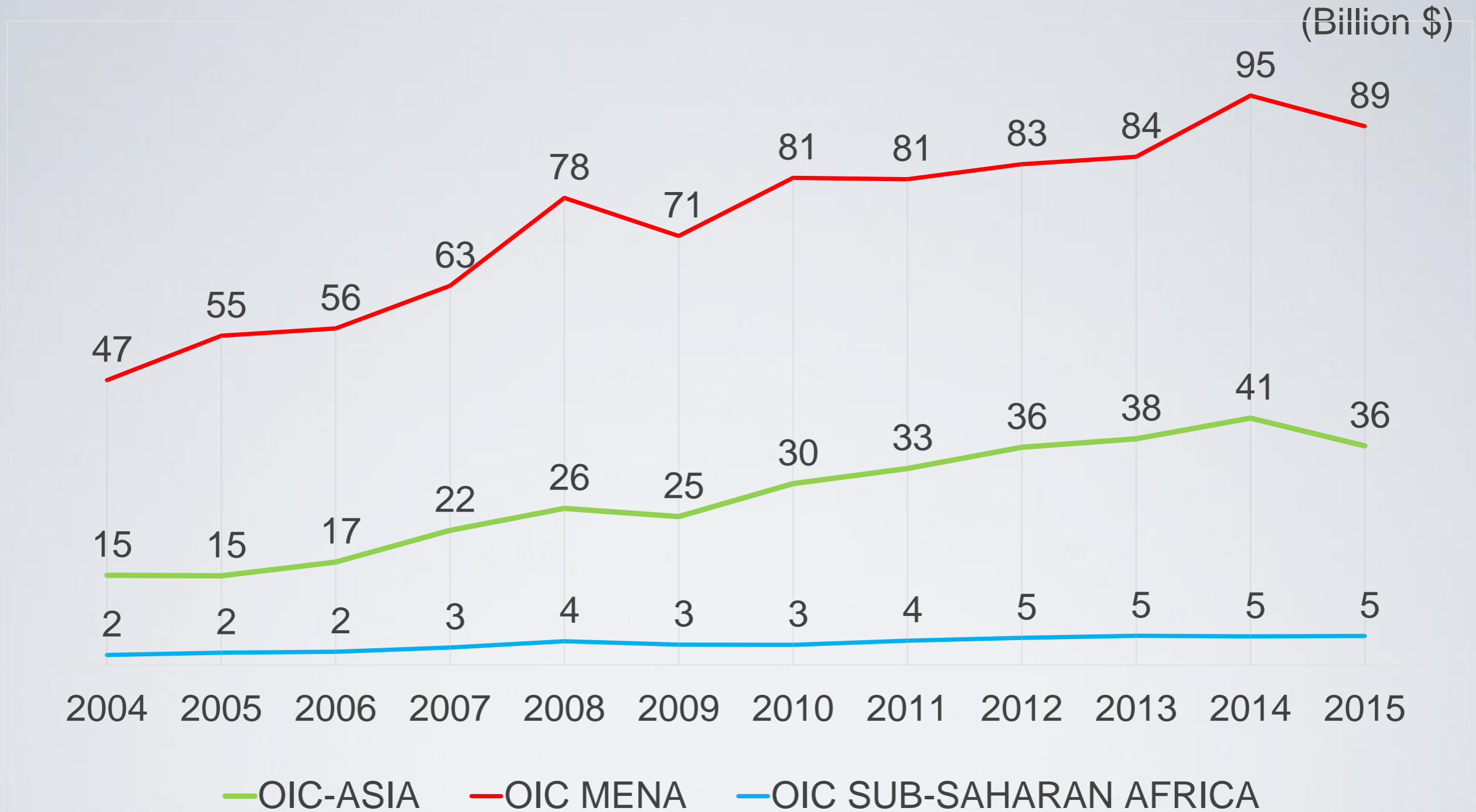
Tourist Arrivals in OIC Regions (OIC-MENA, OIC-Asia, and OIC-Sub-Saharan Africa)

(Millions)



Source: UNWTO, 2016

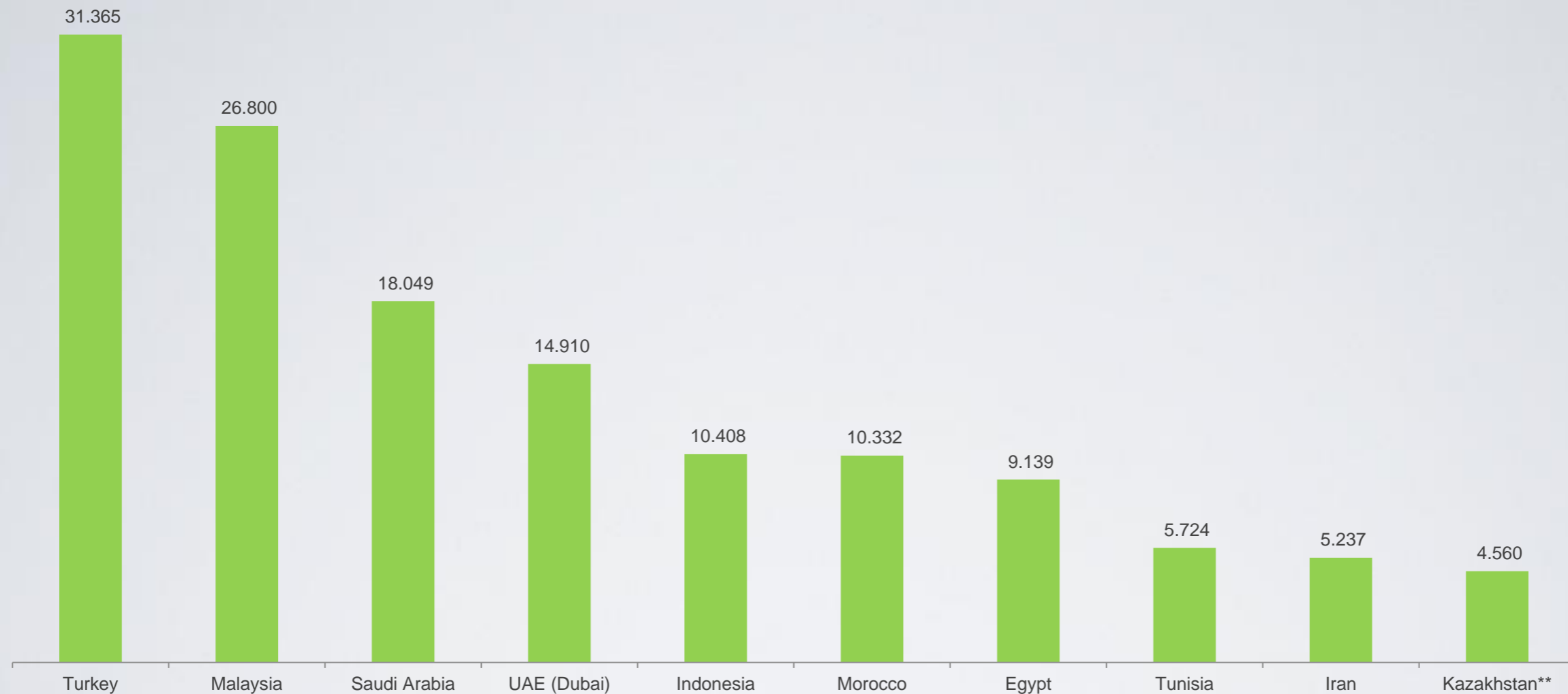
Tourism Receipts in OIC Regions (OIC-MENA, OIC-Asia, OIC-Sub-Saharan Africa)



Source: UNWTO, 2016

Top 10 OIC Tourism Destinations in International Tourist Arrivals (2015-2016)

(Thousands)

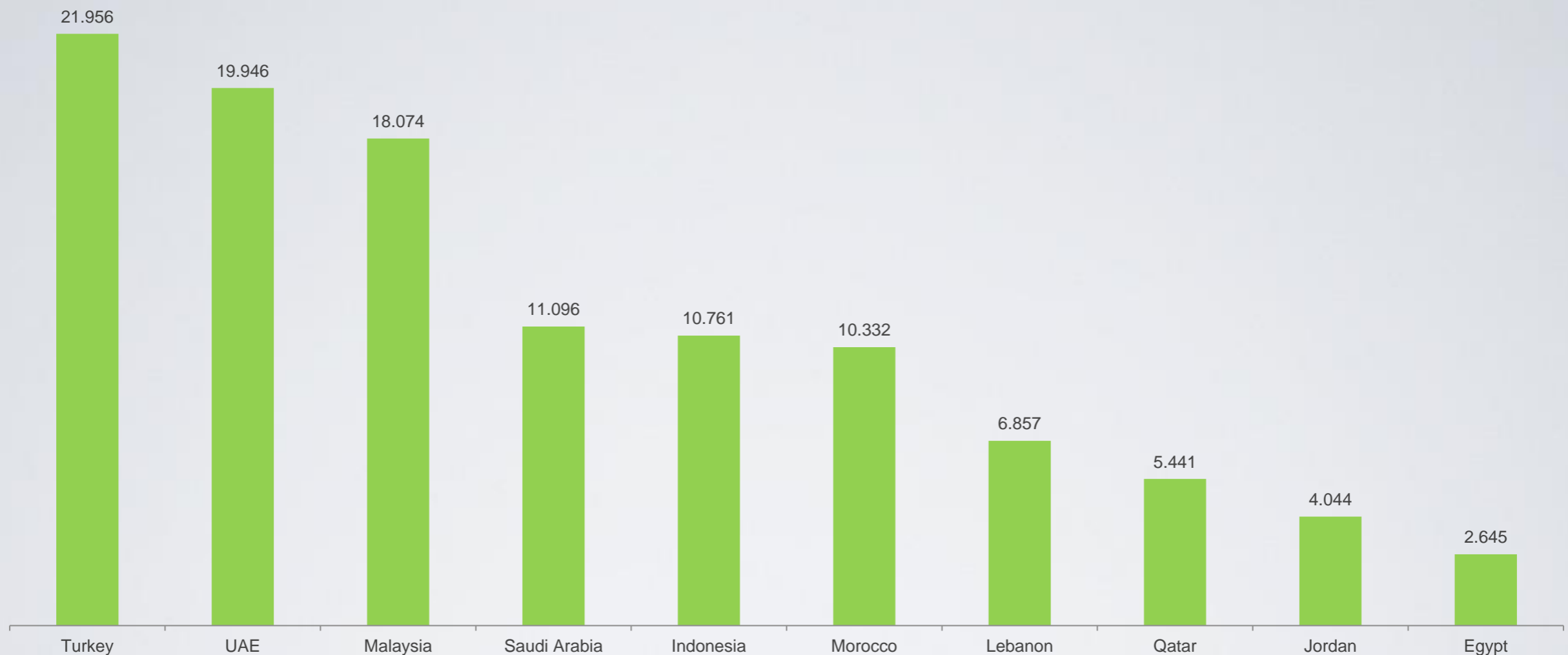


Source: UNWTO, Tourism Highlights 2017 & Tourism Barometer Volume 14, July 2017

☐ Top-10 countries hosted **136.5 million international tourist** in 2016.

Top 10 OIC Tourism Earners in International Tourism (2015-2016)

(Billion \$)



□ Top-10 countries earned **US\$ 111 billion** as international tourism receipts in 2016.

Recent Developments in the OIC Member Countries

- ▶ **Turkey** recorded 21% decrease in arrivals and 18% decrease in receipts in 2016.
 - ▶ Regional safety issues affecting the image of country as a destination.
 - ▶ Russian market started to recover.
 - ▶ Improved demand from Asia and Africa.

Source: UNWTO, BMI Research 2015

Recent Developments in the OIC Member Countries

- ▶ **Malaysia** realized a slight increase in both arrivals and receipts in 2016.
 - ▶ Proximity to potential generating regions.
 - ▶ Launched e-visa service for visitors from China
 - ▶ Stepped up promotion of Penang.
 - ▶ New air connections

Source: UNWTO

Recent Developments in the OIC Member Countries

- ▶ Based on 2014 data **UAE** enjoyed 49% increase in arrivals and 22% increase in receipts in 2016.
- ▶ **Saudi Arabia** reported a slight increase in arrivals and a 10% increase in receipts in 2016.
- ▶ **Morocco** had a slight increase in arrivals but almost 70% increase in receipts.
- ▶ **Egypt** realized significant declines (-43%) in arrivals and receipts (-56%) in 2016.

Source: UNWTO

Recent Developments in the OIC Member Countries

- ▶ **Tunisia** recovered the effects of crises and posted a 10% increase in arrivals but receipt still declined by 8% in 2016.
- ▶ Based on 2014 data **Iran** also boosted in receipts by a 50% in 2016.
- ▶ **Indonesia** (16%), **Lebanon & Oman**(11%), **Albania** (8%), **Jordan** (3%), **Mozambique** (6%), are other OIC countries enjoyed increase in arrivals in 2016.
- ▶ Concerning receipts **Albania** (13%), **Azerbaijan** (18%), **Maldives** (6%), **Nigeria** (165%), **Kuwait** (20%), are the member states increased their tourism receipts in 2016.

Source: UNWTO

Tourism Opportunities and Challenges for the OIC Member Countries

Opportunities

- Natural Resources
- Cultural Resources
- Human Resources
- Authenticity and novelty
- Price competitiveness
- Dynamism

Challenges

- Insufficient Tourism Investment & Infrastructure
- POOR DESTINATION PLANNING & PRODUCT DEVELOPMENT**
- Travel Facilitation Problems
- Safety and Security Related Problems
- Low Tourism Service Quality
- INSUFFICIENT MARKETING AND PROMOTION**
- Insufficient Image Building and Branding
- LACK OF TOURISM DIVERSIFICATION**

CURRENT COMCEC THEMES

Risk & Crisis
Management
and Recovery
from Crises in
Tourism Sector
in the OIC
Member
Countries
(2017/II Meeting)



Destination Development, Marketing and Management Strategies in
OIC



Making Cooperation Work

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THANK YOU

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